

and reducing our dependence on fossil fuels by providing, within 30 days, under the authorities made available in the Food, Conservation, and Energy Act of 2008:

(i) Loan guarantees for the development, construction, and retrofitting of commercial-scale biorefineries and grants to help pay for the development and construction costs of demonstration-scale biorefineries;

(ii) Expedited funding to encourage biorefineries to replace the use of fossil fuels in plant operations by installing new biomass energy systems or producing new energy from renewable biomass;

(iii) Expedited funding to biofuels producers to encourage production of next-generation biofuels from cellulosic biomass and other feedstocks;

(iv) Expansion of the Renewable Energy Systems and Energy Efficiency Improvements Program, which has been renamed the Rural Energy for America Program, to include hydroelectric source technologies, energy audits, and higher loan guarantee limits; and

(v) Guidance and support for collection, harvest, storage, and transportation assistance for eligible materials for use in biomass conversion facilities.

This memorandum is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

The Secretary of Agriculture is hereby authorized and directed to publish this memorandum in the Federal Register.

BARACK OBAMA.

## **§ 8102. Biobased markets program**

### **(a) Federal procurement of biobased products**

#### **(1) Definition of procuring agency**

In this subsection, the term “procuring agency” means—

(A) any Federal agency that is using Federal funds for procurement; or

(B) a person that is a party to a contract with any Federal agency, with respect to work performed under such a contract.

#### **(2) Procurement preference**

##### **(A) In general**

##### **(i) Procuring agency duties**

Except as provided in clause (ii) and subparagraph (B), after the date specified in applicable guidelines prepared pursuant to paragraph (3), each procuring agency shall—

(I) establish a procurement program, develop procurement specifications, and procure biobased products identified under the guidelines described in paragraph (3) in accordance with this section;

(II) with respect to items described in the guidelines, give a procurement preference to those items that—

(aa) are composed of the highest percentage of biobased products practicable; or

(bb) comply with the regulations issued under section 6914b–1 of title 42; and

(III) establish a targeted biobased-only procurement requirement under which the procuring agency shall issue a certain number of biobased-only contracts when the procuring agency is purchasing products, or purchasing services that in-

clude the use of products, that are included in a biobased product category designated by the Secretary.

#### **(ii) Exception**

The requirements of clause (i)(I) to establish a procurement program and develop procurement specifications shall not apply to a person described in paragraph (1)(B).

#### **(B) Flexibility**

Notwithstanding subparagraph (A), a procuring agency may decide not to procure items described in that subparagraph if the procuring agency determines that the items—

(i) are not reasonably available within a reasonable period of time;

(ii) fail to meet—

(I) the performance standards set forth in the applicable specifications; or

(II) the reasonable performance standards of the procuring agencies; or

(iii) are available only at an unreasonable price.

#### **(C) Minimum requirements**

Each procurement program required under this subsection shall, at a minimum—

(i) be consistent with applicable provisions of Federal procurement law;

(ii) ensure that items composed of biobased products will be purchased to the maximum extent practicable;

(iii) include a component to promote the procurement program;

(iv) provide for an annual review and monitoring of the effectiveness of the procurement program; and

(v) adopt 1 of the 2 policies described in subparagraph (D) or (E), or a policy substantially equivalent to either of those policies.

#### **(D) Case-by-case policy**

##### **(i) In general**

Subject to subparagraph (B) and except as provided in clause (ii), a procuring agency adopting the case-by-case policy shall award a contract to the vendor offering an item composed of the highest percentage of biobased products practicable.

##### **(ii) Exception**

Subject to subparagraph (B), an agency adopting the policy described in clause (i) may make an award to a vendor offering items with less than the maximum biobased products content.

#### **(E) Minimum content standards**

Subject to subparagraph (B), a procuring agency adopting the minimum content standards policy shall establish minimum biobased products content specifications for awarding contracts in a manner that ensures that the biobased products content required is consistent with this subsection.

#### **(F) Certification**

After the date specified in any applicable guidelines prepared pursuant to paragraph

(3), contracting offices shall require that vendors certify that the biobased products to be used in the performance of the contract will comply with the applicable specifications or other contractual requirements.

### **(3) Guidelines**

#### **(A) In general**

The Secretary, after consultation with the Administrator, the Administrator of General Services, and the Secretary of Commerce (acting through the Director of the National Institute of Standards and Technology), shall prepare, and from time to time revise, guidelines for the use of procuring agencies in complying with the requirements of this subsection.

#### **(B) Requirements**

The guidelines under this paragraph shall—

(i) designate those items (including finished products) that are or can be produced with biobased products (including biobased products for which there is only a single product or manufacturer in the category) that will be subject to the preference described in paragraph (2);

(ii) designate those intermediate ingredients and feedstocks that are or can be used to produce items that will be subject to the preference described in paragraph (2);

(iii) automatically designate items composed of intermediate ingredients and feedstocks designated under clause (ii), if the content of the designated intermediate ingredients and feedstocks exceeds 50 percent of the item (unless the Secretary determines a different composition percentage is appropriate);

(iv) set forth recommended practices with respect to the procurement of biobased products and items containing such materials;

(v) require reporting of quantities and types of biobased products purchased by procuring agencies;

(vi) promote biobased products, including forest products, that apply an innovative approach to growing, harvesting, sourcing, procuring, processing, manufacturing, or application of biobased products regardless of the date of entry into the marketplace;

(vii) as determined to be necessary by the Secretary based on the availability of data, provide information as to the availability, relative price, performance, and environmental and public health benefits of such materials and items; and

(viii) take effect on the date established in the guidelines, which may not exceed 1 year after publication.

#### **(C) Information provided**

Information provided pursuant to subparagraph (B)(v)<sup>1</sup> with respect to a material or item shall be considered to be provided for

another item made with the same material or item.

#### **(D) Prohibition**

Guidelines issued under this paragraph may not require a manufacturer or vendor of biobased products, as a condition of the purchase of biobased products from the manufacturer or vendor, to provide to procuring agencies more data than would be required to be provided by other manufacturers or vendors offering products for sale to a procuring agency, other than data confirming the biobased content of a product.

#### **(E) Qualifying purchases**

The guidelines shall apply with respect to any purchase or acquisition of a procurement item for which—

(i) the purchase price of the item exceeds \$10,000; or

(ii) the quantity of the items or of functionally-equivalent items purchased or acquired during the preceding fiscal year was at least \$10,000.

#### **(F) Required designations**

Not later than 1 year after February 7, 2014, the Secretary shall begin to designate intermediate ingredients or feedstocks and assembled and finished biobased products in the guidelines issued under this paragraph.

### **(4) Administration**

#### **(A) Office of Federal Procurement Policy**

The Office of Federal Procurement Policy, in cooperation with the Secretary, shall—

(i) coordinate the implementation of this subsection with other policies for Federal procurement;

(ii) annually collect the information required to be reported under subparagraph (B) and make the information publicly available;

(iii) take a leading role in informing Federal agencies concerning, and promoting the adoption of and compliance with, procurement requirements for biobased products by Federal agencies; and

(iv) not less than once every 2 years, submit to Congress a report that—

(I) describes the progress made in carrying out this subsection; and

(II) contains a summary of the information reported pursuant to subparagraph (B).

#### **(B) Other agencies**

To assist the Office of Federal Procurement Policy in carrying out subparagraph (A)—

(i) each procuring agency shall submit each year to the Office of Federal Procurement Policy, to the maximum extent practicable, information concerning—

(I) actions taken to implement paragraph (2);

(II) the results of the annual review and monitoring program established under paragraph (2)(C)(iv);

(III) the number and dollar value of contracts entered into during the year

<sup>1</sup> See References in Text note below.

that include the direct procurement of biobased products;

(IV) the number of service and construction (including renovations) contracts entered into during the year that include language on the use of biobased products; and

(V) the types and dollar value of biobased products actually used by contractors in carrying out service and construction (including renovations) contracts during the previous year; and

(ii) the General Services Administration and the Defense Logistics Agency shall submit each year to the Office of Federal Procurement Policy information concerning, to the maximum extent practicable, the types and dollar value of biobased products purchased by procuring agencies.

**(C) Procurement subject to other law**

Any procurement by any Federal agency that is subject to regulations of the Administrator under section 6962 of title 42 shall not be subject to the requirements of this section to the extent that the requirements are inconsistent with the regulations.

**(b) Labeling**

**(1) In general**

The Secretary, in consultation with the Administrator, shall establish a voluntary program under which the Secretary authorizes producers of biobased products to use the label “USDA Certified Biobased Product”.

**(2) Eligibility criteria**

**(A) Criteria**

**(i) In general**

Not later than 90 days after the date of the enactment of the Food, Conservation, and Energy Act of 2008 and except as provided in clause (ii), the Secretary, in consultation with the Administrator and representatives from small and large businesses, academia, other Federal agencies, and such other persons as the Secretary considers appropriate, shall issue criteria (as of the date of enactment of that Act) for determining which products may qualify to receive the label under paragraph (1).

**(ii) Exception**

Clause (i) shall not apply to final criteria that have been issued (as of the date of enactment of that Act) by the Secretary.

**(iii) Renewable chemicals**

Not later than 180 days after December 20, 2018, the Secretary shall update the criteria issued under clause (i) to provide criteria for determining which renewable chemicals may qualify to receive the label under paragraph (1).

**(B) Requirements**

Criteria issued under subparagraph (A) shall—

(i) encourage the purchase of products with the maximum biobased content;

(ii) provide that the Secretary may designate as biobased for the purposes of the voluntary program established under this subsection finished products that contain significant portions of biobased materials or components; and

(iii) to the maximum extent practicable, be consistent with the guidelines issued under subsection (a)(3).

**(3) Use of label**

**(A) In general**

The Secretary shall ensure that the label referred to in paragraph (1) is used only on products that meet the criteria issued pursuant to paragraph (2).

**(B) Auditing and compliance**

The Secretary may carry out such auditing and compliance activities as the Secretary determines to be necessary to ensure compliance with subparagraph (A).

**(4) Assembled and finished products**

Not later than 1 year after February 7, 2014, the Secretary shall begin issuing criteria for determining which assembled and finished products may qualify to receive the label under paragraph (1).

**(c) Recognition**

The Secretary shall—

(1) establish a program to recognize Federal agencies and private entities that use a substantial amount of biobased products; and

(2) encourage Federal agencies to establish incentives programs to recognize Federal employees or contractors that make exceptional contributions to the expanded use of biobased products.

**(d) Limitation**

Nothing in this section shall apply to the procurement of motor vehicle fuels, heating oil, or electricity.

**(e) Inclusion**

Effective beginning on the date that is 90 days after the date of enactment of the Food, Conservation, and Energy Act of 2008, the Architect of the Capitol, the Sergeant at Arms of the Senate, and the Chief Administrative Officer of the House of Representatives shall consider the biobased product designations made under this section in making procurement decisions for the Capitol Complex.

**(f) Manufacturers of renewable chemicals and biobased products**

**(1) NAICS codes**

The Secretary and the Secretary of Commerce shall jointly develop North American Industry Classification System codes for—

(A) renewable chemicals manufacturers; and

(B) biobased products manufacturers.

**(2) National testing center registry**

The Secretary shall establish a national registry of testing centers for biobased products that will serve biobased product manufacturers.

**(g) Forest products laboratory coordination**

In determining whether products are eligible for the “USDA Certified Biobased Product”

label, the Secretary (acting through the Forest Products Laboratory) shall provide appropriate technical and other assistance to the program and applicants for forest products.

**(h) Streamlining**

**(1) In general**

Not later than 1 year after December 20, 2018, the Secretary shall establish guidelines for an integrated process under which biobased products may be, in 1 expedited approval process—

(A) determined to be eligible for a Federal procurement preference under subsection (a); and

(B) approved to use the “USDA Certified Biobased Product” label under subsection (b).

**(2) Initiation**

The Secretary shall ensure that a review of a biobased product under the integrated qualification process established pursuant to paragraph (1) may be initiated on receipt of a recommendation or petition from a manufacturer, vendor, or other interested party.

**(3) Product designations**

The Secretary may issue a product designation pursuant to subsection (a)(3)(B), or approve the use of the “USDA Certified Biobased Product” label under subsection (b), through streamlined procedures, which shall not be subject to chapter 7 of title 5.

**(i) Requirement of procuring agencies**

A procuring agency (as defined in subsection (a)(1)) shall not establish regulations, guidance, or criteria regarding the procurement of biobased products, pursuant to this section or any other law, that impose limitations on that procurement that are more restrictive than the limitations established by the Secretary under the regulations to implement this section.

**(j) Reports**

**(1) In general**

Not later than 180 days after the date of enactment of the Food, Conservation, and Energy Act of 2008 and each year thereafter, the Secretary shall submit to Congress a report on the implementation of this section.

**(2) Contents**

Each report under paragraph (1) shall include—

(A) a comprehensive management plan that establishes tasks, milestones, and timelines, organizational roles and responsibilities, and funding allocations for fully implementing this section;

(B) information on the status of implementation of—

(i) item designations (including designation of intermediate ingredients and feedstocks); and

(ii) the voluntary labeling program established under subsection (b); and

(C) the progress made by other Federal agencies in compliance with the biobased procurement requirements, including the quantity of purchases made.

**(3) Economic impact study and report**

**(A) In general**

The Secretary shall conduct a study to assess the economic impact of the biobased products industry, including—

(i) the quantity of biobased products sold;

(ii) the value of the biobased products;

(iii) the quantity of jobs created;

(iv) the quantity of petroleum displaced;

(v) other environmental benefits; and

(vi) areas in which the use or manufacturing of biobased products could be more effectively used, including identifying any technical and economic obstacles and recommending how those obstacles can be overcome.

**(B) Report**

Not later than 1 year after February 7, 2014, the Secretary shall submit to Congress a report describing the results of the study conducted under subparagraph (A).

**(k) Funding**

**(1) Mandatory funding**

Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section \$3,000,000 for each of fiscal years 2014 through 2024.

**(2) Discretionary funding**

There is authorized to be appropriated to carry out this section \$3,000,000 for each of fiscal years 2019 through 2023.

**(l) Biobased product inclusion**

In this section, the term “biobased product” (as defined in section 8101 of this title) includes, with respect to forestry materials, forest products that meet biobased content requirements, notwithstanding the market share the product holds, the age of the product, or whether the market for the product is new or emerging.

**(m) Rural development mission area**

In carrying out this section, except as provided in subsection (g), the Secretary shall act through the rural development mission area.

(Pub. L. 107–171, title IX, §9002, as added Pub. L. 110–234, title IX, §9001(a), May 22, 2008, 122 Stat. 1305, and Pub. L. 110–246, §4(a), title IX, §9001(a), June 18, 2008, 122 Stat. 1664, 2067; amended Pub. L. 112–240, title VII, §701(f)(1), Jan. 2, 2013, 126 Stat. 2364; Pub. L. 113–79, title IX, §9002(a), Feb. 7, 2014, 128 Stat. 926; Pub. L. 115–334, title IX, §9002, Dec. 20, 2018, 132 Stat. 4883; Pub. L. 118–22, div. B, title I, §102(d)(6)(A), Nov. 17, 2023, 137 Stat. 117.)

**Editorial Notes**

**REFERENCES IN TEXT**

Subparagraph (B)(v) of subsection (a)(3) of this section, referred to in subsec. (a)(3)(C), was redesignated subparagraph (B)(vii) by Pub. L. 113–79, title IX, §9002(a)(1)(B)(i)(II), Feb. 7, 2014, 128 Stat. 927.

The date of the enactment of the Food, Conservation, and Energy Act of 2008, referred to in subsecs. (b)(2)(A), (e), and (j)(1), is the date of enactment of Pub. L. 110–246, which was approved June 18, 2008.

**CODIFICATION**

Pub. L. 110–234 and Pub. L. 110–246 enacted identical sections. Pub. L. 110–234 was repealed by section 4(a) of Pub. L. 110–246.

## PRIOR PROVISIONS

A prior section 8102, Pub. L. 107–171, title IX, §9002, May 13, 2002, 116 Stat. 476; Pub. L. 109–58, title II, §205, title IX, §943(a)(2), (b), Aug. 8, 2005, 119 Stat. 654, 880, 881, related to Federal procurement of biobased products, prior to the general amendment of this chapter by Pub. L. 110–246.

## AMENDMENTS

2023—Subsec. (k)(1). Pub. L. 118–22 substituted “2024” for “2023”.

2018—Subsec. (b)(2)(A)(iii). Pub. L. 115–334, §9002(1), added cl. (iii).

Subsec. (f). Pub. L. 115–334, §9002(2), amended subsec. (f) generally. Prior to amendment, text read as follows: “The Secretary shall establish a national registry of testing centers for biobased products that will serve biobased product manufacturers.”

Subsecs. (h), (i). Pub. L. 115–334, §9002(4), added subsecs. (h) and (i). Former subsecs. (h) and (i) redesignated (j) and (k), respectively.

Subsecs. (j), (k). Pub. L. 115–334, §9002(3), redesignated subsecs. (h) and (i) as (j) and (k), respectively. Former subsec. (j) redesignated (l).

Subsec. (k)(1). Pub. L. 115–334, §9002(5)(A), substituted “2023” for “2018”.

Subsec. (k)(2). Pub. L. 115–334, §9002(5)(B), substituted “\$3,000,000 for each of fiscal years 2019 through 2023” for “\$2,000,000 for each of fiscal years 2014 through 2018”.

Subsec. (l). Pub. L. 115–334, §9002(3), redesignated subsec. (j) as (l).

Subsec. (m). Pub. L. 115–334, §9002(6), added subsec. (m).

2014—Subsec. (a)(2)(A)(i)(III). Pub. L. 113–79, §9002(a)(1)(A), added subcl. (III).

Subsec. (a)(3)(B)(v). Pub. L. 113–79, §9002(a)(1)(B)(i)(III), added cl. (v). Former cl. (v) redesignated (vii).

Pub. L. 113–79, §9002(a)(1)(B)(i)(I), inserted “as determined to be necessary by the Secretary based on the availability of data,” before “provide information”.

Subsec. (a)(3)(B)(vi). Pub. L. 113–79, §9002(a)(1)(B)(i)(III), added cl. (vi). Former cl. (vi) redesignated (viii).

Subsec. (a)(3)(B)(vii), (viii). Pub. L. 113–79, §9002(a)(1)(B)(i)(II), redesignated cls. (v) and (vi) as (vii) and (viii), respectively.

Subsec. (a)(3)(F). Pub. L. 113–79, §9002(a)(1)(B)(ii), added subpar. (F).

Subsec. (b)(3). Pub. L. 113–79, §9002(a)(2)(A), designated existing provisions as subpar. (A), inserted heading, and added subpar. (B).

Subsec. (b)(4). Pub. L. 113–79, §9002(a)(2)(B), added par. (4).

Subsec. (g). Pub. L. 113–79, §9002(a)(5), added subsec. (g). Former subsec. (g) redesignated (h).

Subsec. (g)(2). Pub. L. 113–79, §9002(a)(3)(A)(i), substituted “Each report under paragraph (1)” for “The report” in introductory provisions.

Subsec. (g)(2)(C). Pub. L. 113–79, §9002(a)(3)(A)(ii)–(iv), added subpar. (C).

Subsec. (g)(3). Pub. L. 113–79, §9002(a)(3)(B), added par. (3).

Subsecs. (h), (i). Pub. L. 113–79, §9002(a)(4), redesignated subsecs. (g) and (h) as (h) and (i), respectively.

Subsec. (i)(1), (2). Pub. L. 113–79, §9002(a)(6), added pars. (1) and (2) and struck out former pars. (1) and (2) which related to mandatory funding for fiscal years 2008 through 2012 and discretionary funding for fiscal years 2009 through 2013, respectively.

Subsec. (j). Pub. L. 113–79, §9002(a)(7), added subsec. (j).

2013—Subsec. (h)(2). Pub. L. 112–240 substituted “2013” for “2012”.

## Statutory Notes and Related Subsidiaries

## EFFECTIVE DATE OF 2023 AMENDMENT

Amendment by Pub. L. 118–22 to be applied and administered as if enacted on Sept. 30, 2023, see section

102(g) of Pub. L. 118–22, set out in an Extension of Agricultural Programs note under section 9001 of this title.

## EFFECTIVE DATE OF 2013 AMENDMENT

Amendment by Pub. L. 112–240 effective Sept. 30, 2012, see section 701(j) of Pub. L. 112–240, set out in a 1-Year Extension of Agricultural Programs note under section 8701 of this title.

## EFFECTIVE DATE

Enactment of this section and repeal of Pub. L. 110–234 by Pub. L. 110–246 effective May 22, 2008, the date of enactment of Pub. L. 110–234, see section 4 of Pub. L. 110–246, set out as a note under section 8701 of this title.

## Executive Documents

## DRIVING INNOVATION AND CREATING JOBS IN RURAL AMERICA THROUGH BIOBASED AND SUSTAINABLE PRODUCT PROCUREMENT

Memorandum of President of the United States, Feb. 21, 2012, 77 F.R. 10939, as amended by Ex. Ord. No. 13693, §16(b), Mar. 19, 2015, 80 F.R. 15880, provided:

Memorandum for the Heads of Executive Departments and Agencies

The BioPreferred program—established by the Farm Security and Rural Investment Act of 2002 (Public Law 107–171) (2002 Farm Bill), and strengthened by the Food, Conservation[,] and Energy Act of 2008 (Public Law 110–234 [probably should refer to Public Law 110–246]) (2008 Farm Bill)—is intended to increase Federal procurement of biobased products to promote rural economic development, create new jobs, and provide new markets for farm commodities. Biobased and sustainable products help to increase our energy security and independence.

The Federal Government, with leadership from the Department of Agriculture (USDA), has made significant strides in implementing the BioPreferred program. It is one of the key elements in my efforts to promote sustainable acquisition throughout the Government under [former] Executive Order 13514 of October 5, 2009 (Federal Leadership in Environmental, Energy, and Economic Performance). Further efforts will drive innovation and economic growth and create jobs at marginal cost to the American public.

The goal of this memorandum is to ensure that executive departments and agencies (agencies) effectively execute Federal procurement requirements for biobased products, including those requirements identified in [former] Executive Order 13514 and prescribed in the 2002 Farm Bill, as amended by the 2008 Farm Bill. It is vital that these efforts are in accord and carefully coordinated with other Federal procurement requirements.

Therefore, I direct that agencies take the following steps to significantly increase Federal procurement of biobased and other sustainable products.

SECTION 1. [Revoked by Ex. Ord. No. 13693, §16(b), Mar. 19, 2015, 80 F.R. 15880.]

SEC. 2. *Biobased Product Designations.* The USDA has already designated 64 categories of biobased products for preferred Federal procurement. Although these categories represent an estimated 9,000 individual products, less than half of the known biobased products are currently included in the preference program. Increasing the number of products subject to the Federal procurement preference will increase procurement of biobased products. Therefore, I direct the Secretary of Agriculture to:

(a) increase both the number of categories of biobased products designated and individual products eligible for preferred purchasing by 50 percent within 1 year of the date of this memorandum; and

(b) establish a web-based process whereby biobased product manufacturers can request USDA to establish a new product category for designation. The USDA shall determine the merit of the request and, if the

product category is deemed eligible, propose designation within 180 days of the request.

SEC. 3. *Changes in Procurement Mechanisms.* Several actions can be taken to facilitate improvement in and compliance with the requirements to purchase biobased products. To achieve these changes, I direct:

(a) the Senior Sustainability Officers and Chief Acquisition Officers of all agencies to randomly sample procurement actions (such as solicitations and awards) to verify that biobased considerations are included as appropriate. Agencies shall include results of these sampling efforts in the Sustainability/Energy scorecard reported to OMB;

(b) the Secretary of Agriculture to work with relevant officials in agencies that have electronic product procurement catalogs to identify and implement solutions to increase the visibility of biobased and other sustainable products;

(c) the Senior Sustainability Officers of all agencies that have established agency-specific product specifications, in coordination with any other appropriate officials, to review and revise all specifications under their control to assure that, wherever possible and appropriate, such specifications require the use of sustainable products, including USDA-designated biobased products, and that any language prohibiting the use of biobased products is removed. The review shall be on a 4-year cycle. Significant review should be completed within 1 year of the date of this memorandum, and the results of the reviews shall be annually reported to OMB and the Office of Science and Technology Policy (OSTP); and

(d) the Secretary of Agriculture to amend USDA's automated contract writing system, the Integrated Acquisition System, to serve as a model for biobased product procurement throughout the Federal Government by adding elements related to acquisition planning, evaluation factors for source selection, and specifications and requirements. Once completed, USDA shall share the model with all agencies and, as appropriate, assist any agency efforts to adopt similar mechanisms.

SEC. 4. *Small Business Assistance.* A majority of the biobased product manufacturers and vendors selling biobased products and services that use biobased products to the Federal Government are small businesses. To improve the ability of small businesses to sell these products and services to the Federal Government, I direct:

(a) the Secretary of Commerce, in consultation with the Secretary of Agriculture, to use relevant programs of the Department, such as the Manufacturing Extension Partnership network, to improve the performance and competitiveness of biobased product manufacturers;

(b) the Secretary of Agriculture to work cooperatively with Procurement Technical Assistance Center programs located across the Nation to provide training and assistance to biobased product companies to make these companies aware of the BioPreferred program and opportunities to sell biobased products to Federal, State, and local government agencies; and

(c) the Secretary of Agriculture to develop training within 6 months of the date of this memorandum for small businesses on the BioPreferred program and the opportunities it presents, and the Administrator of the Small Business Administration (SBA) to disseminate that training to Small Business Development Centers and feature it on the SBA website.

SEC. 5. *Reporting.* The Federal Government should obtain the most reliable information to gauge its progress in purchasing biobased products, including measuring the annual number of procurements that include direct purchase of biobased products, the annual number of construction and service contracts that include the purchase of biobased products, and the annual volume and type of biobased products the Federal Government purchases. I direct that:

(a) within 1 year of the date of this memorandum, the Federal Acquisition Regulatory Council shall propose an amendment to the Federal Acquisition Regulation

to require reporting of biobased product purchases, to be made public on an annual basis; and

(b) following the promulgation of the proposed amendment referenced in subsection (a) of this section, the Secretary of Agriculture, in consultation with the Chief Acquisition Officers Council, shall develop a reporting template to facilitate the annual reporting requirement.

SEC. 6. *Jobs Creation Research.* Biobased products are creating jobs across America. These innovative products are creating new markets for agriculture and expanding opportunities in rural America. Therefore, I direct the Secretary of Agriculture to prepare a report on job creation and the economic impact associated with the biobased product industry to be submitted to the President through the Domestic Policy Council and OSTP within 2 years of the date of this memorandum. The study shall include:

(a) the number of American jobs originating from the biobased product industry annually over the last 10 years, including the job changes in specific sectors;

(b) the dollar value of the current domestic biobased products industry, including intermediates, feedstocks, and finished products, but excluding biofuels;

(c) a forecast for biobased job creation potential over the next 10 years;

(d) a forecast for growth in the biobased industry over the next 10 years; and

(e) jobs data for both biofuels and biobased products, but shall generate separate data for each category.

SEC. 7. *Education and Outreach.* In compliance with the 2002 Farm Bill, several agencies established agency promotion programs to support the biobased products procurement preference. The Federal Acquisition Institute has added biobased procurement training to its course offerings. To assure both formal and informal educational and outreach instruction on the BioPreferred program are in place and being implemented by each agency, I direct:

(a) the Secretary of Agriculture to update all existing USDA BioPreferred and related sustainable acquisition training materials within 1 year of the date of this memorandum;

(b) the Senior Sustainability Officers and Chief Acquisition Officers of agencies to work cooperatively with the Secretary of Agriculture to immediately implement such BioPreferred program agency education and outreach programs as are necessary to meet the requirements of this memorandum and relevant statutes; and

(c) the Secretary of Agriculture to work actively with the Committee for Purchase From People Who Are Blind or Severely Disabled to promote education and outreach to program, technical, and contracting personnel, and to purchase card holders on BioPreferred AbilityOne products.

SEC. 8. *General Provisions.* (a) This memorandum shall apply to an agency with respect to the activities, personnel, resources, and facilities of the agency that are located within the United States. The head of an agency may provide that this memorandum shall apply in whole or in part with respect to the activities, personnel, resources, and facilities of the agency that are not located within the United States, if the head of the agency determines that such application is in the interest of the United States.

(b) The head of an agency shall manage activities, personnel, resources, and facilities of the agency that are not located within the United States, and with respect to which the head of the agency has not made a determination under subsection (a) of this section, in a manner consistent with the policies set forth in this memorandum, to the extent the head of the agency determines practicable.

(c) For purposes of this memorandum, "biobased product" shall have the meaning set forth in section 8101(4) of title 7, United States Code.

(d) This memorandum is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party

against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

(e) The Secretary of Agriculture is hereby authorized and directed to publish this memorandum in the Federal Register.

BARACK OBAMA.

### **§ 8103. Biorefinery, renewable chemical, and biobased product manufacturing assistance**

#### **(a) Purpose**

The purpose of this section is to assist in the development of new and emerging technologies for the development of advanced biofuels, renewable chemicals, and biobased product manufacturing so as to—

- (1) increase the energy independence of the United States;
- (2) promote resource conservation, public health, and the environment;
- (3) diversify markets for agricultural and forestry products and agriculture waste material; and
- (4) create jobs and enhance the economic development of the rural economy.

#### **(b) Definitions**

In this section:

##### **(1) Biobased product manufacturing**

The term “biobased product manufacturing” means development, construction, and retrofitting of technologically new commercial-scale processing and manufacturing equipment and required facilities that will be used to convert renewable chemicals and other biobased outputs of biorefineries into end-user products on a commercial scale.

##### **(2) Eligible entity**

The term “eligible entity” means an individual, entity, Indian tribe, or unit of State or local government, including a corporation, farm cooperative, farmer cooperative organization, association of agricultural producers, National Laboratory, institution of higher education, rural electric cooperative, public power entity, or consortium of any of those entities.

##### **(3) Eligible technology**

The term “eligible technology” means, as determined by the Secretary—

(A) a technology that is being adopted in a viable commercial-scale operation of a biorefinery that produces any 1 or more, or a combination, of—

- (i) an advanced biofuel;
- (ii) a renewable chemical; or
- (iii) a biobased product; and

(B) a technology not described in subparagraph (A) that has been demonstrated to have technical and economic potential for commercial application in a biorefinery that produces any 1 or more, or a combination, of—

- (i) an advanced biofuel;
- (ii) a renewable chemical; or
- (iii) a biobased product.

#### **(c) Assistance**

The Secretary shall make available to eligible entities guarantees for loans made to fund the

development, construction, and retrofitting of commercial-scale biorefineries using eligible technology.

#### **(d) Loan guarantees**

##### **(1) Selection criteria**

###### **(A) In general**

In approving loan guarantee applications, the Secretary shall establish a priority scoring system that assigns priority scores to each application and only approve applications that exceed a specified minimum, as determined by the Secretary.

###### **(B) Feasibility**

In approving a loan guarantee application, the Secretary shall determine the technical and economic feasibility of the project based on a feasibility study of the project described in the application conducted by an independent third party.

###### **(C) Scoring system**

In determining the priority scoring system for loan guarantees under subsection (c), the Secretary shall consider—

- (i) whether the applicant has established a market for the advanced biofuel and the byproducts produced;
- (ii) whether the area in which the applicant proposes to place the biorefinery has other similar facilities;
- (iii) whether the applicant is proposing to use a feedstock not previously used in the production of advanced biofuels;
- (iv) whether the applicant is proposing to work with producer associations or cooperatives;
- (v) the level of financial participation by the applicant, including support from non-Federal and private sources;
- (vi) whether the applicant has established that the adoption of the process proposed in the application will have a positive impact on resource conservation, public health, and the environment;
- (vii) whether the applicant can establish that if adopted, the biofuels production technology proposed in the application will not have any significant negative impacts on existing manufacturing plants or other facilities that use similar feedstocks;
- (viii) the potential for rural economic development;
- (ix) the level of local ownership proposed in the application; and
- (x) whether the project can be replicated.

##### **(D) Project diversity**

In approving loan guarantee applications, the Secretary shall ensure that, to the extent practicable, there is diversity in the types of projects approved for loan guarantees to ensure that as wide a range as possible of technologies, products, and approaches are assisted.

#### **(2) Limitations**

##### **(A) Maximum amount of loan guaranteed**

The principal amount of a loan guaranteed under subsection (c) may not exceed \$250,000,000.